

October - December
2002



WASHINGTON STATE
GAMBLING COMMISSION

Focus on Gambling

2003 Legislative Session

We expect the Legislature will consider several bills related to gambling this session. We know that many of our licensees will be closely watching bills that directly affect them or which are supported by interest groups representing their particular gambling activity.

On December 17, 2002, Governor Locke announced his proposed budget. Part of the proposal included combining the Gambling Commission and the Horse Racing Commission into one agency called the Department of Gaming. We expect the Commissioners will discuss this proposal at upcoming Commission meetings.

The 2003 Legislative session began on January 13, 2003. This session will be a "long session" and will last 105 days. A special session may be called. You may access information about progress of any particular bill by going to the state web site under www.leg.wa.gov and clicking on "Bill Information."

If you have general questions or concerns, you may contact Ed Fleisher at (800) 345-2529, extension 3449, or Amy Patjens at extension 3463. If you have specific comments you want the legislature to consider, please contact your local senator or representative directly. We will give a more complete update of legislation in our next newsletter, which you will receive in April.

Merchandise Prizes for Pull-Tab Games

Recently, we have received numerous questions about whether businesses that sell merchandise to be used as prizes with pull-tab games have to be licensed. There is no requirement that an operator must purchase merchandise prizes from a licensed distributor. However, merchandise must be the only item provided. Any business that provides a pull-tab game and/or a substitute flare along with merchandise must have a current Distributor License from the Gambling Commission.

If you have any questions, please contact Lisa Saila, Manufacturer/Distributor Coordinator at (800) 345-2529, extension 3582, or e-mail lisas@wsgc.wa.gov.



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Judge Janice Niemi (Ret.)

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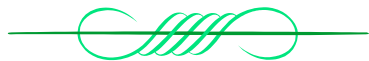
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Card Rooms Required to Notify Law Enforcement When Cheating is Detected

Submitted by Mark Harris, Special Agent Supervisor, Everett Field Office

Did you know that any time a person is found cheating in your card room, you must immediately report the incident to your local police department or sheriff's office? (WAC 230-40-250)

Furthermore, when you detect cheating, theft, embezzlement, or other illegal activities, the head of your card room surveillance department must notify Gambling Commission staff within three working days. (WAC 230-40-815(3)(a)(vi))

If your card room has not been reporting these activities, your gambling license may be in jeopardy. Failing to report may result in the suspension or revocation of your gambling license, or a monetary fine. Therefore, even if you only suspect illegal activities are occurring, we recommend that you report it.



New Everett Field Office

Submitted by Mark Harris, Special Agent Supervisor, Everett Field Office

On September 26, 2002, the Gambling Commission's Northwest Regional Field Office hosted an open house at their new location in Everett. The regional office was moved from Lynnwood to Everett at the end of August 2002.

Those in attendance included: Gambling Commissioner Liz McLaughlin, State Representative Jean Berkey, Mayor Frank Anderson of Everett, Executive Director Rick Day, Deputy Director Bob Berg, Assistant Director of Field Operations Cally Cass-Healy, NW Regional Field Office Manager Greg Thomas, numerous licensees, several employees of the Attorney General's Office, and several employees of the Gambling Commission.

It was a nice opportunity for everyone to see the new office and reacquaint themselves with Northwest Region staff.



The new Everett field office is located at 3501 Colby Avenue, Suite 102, Everett, Washington 98201

WSGC Mission Statement:
Protect the public by ensuring that gambling is legal and honest.

Is Your Rules Manual Current?

Have you ever wondered if your September 2001 Rules Manual is current? For your convenience, a list of all updated rules that should be included in your rules manual is on pages 13 and 14.

Please remove this page and insert it into the front of your rules manual.

If you are missing any rules, please contact your local gambling commission agent.



2002 Gambling Statistics Now Available



The Licensed Operators Activity Report for the Fiscal Year ending June 30, 2002, is now posted on the agency website under:

License Info, Reports & Statistics

Get the latest news on how many gambling licensees are issued for each activity, gambling gross receipts, net income, expenses, gambling taxes paid to local cities and counties, charts, graphs, and much more. See below for some of the statistical information that is in the Report.

FISCAL YEAR 2002 SUMMARY OF ACTIVITY AND TRENDS

BINGO licenses decreased 7.3%, from 343 to 318.

Bingo gross receipts decreased 12.4%, from \$146.4 to \$128.3 million.

Bingo operators provided 10.4% less to their charitable/nonprofit causes, from \$8.9 million to \$8.0 million.

Bingo operators improved the percentage returned to their charitable/nonprofit causes from 6.0% to 6.2% of gross receipts.

CARD ROOM licenses decreased 1.0%, from 105 to 104. The number of house-banked card rooms open remained virtually unchanged.

Card room gross receipts increased 8.3%, from \$228.5 to \$247.5 million.

Card room reported net income decreased 10.2%, from \$56.4 to \$50.7 million.

RAFFLE activity increased 3.6%, up \$225,554 from last year.

Raffle licenses went up 1.1%, from 523 to 529.

FUND-RAISING EVENTS declined by 10.8% this year, from 37 to 33.

PUNCH BOARD/PULL-TAB licenses decreased 5.0%, from 2,109 to 2,004.

Punch board/pull-tab gross receipts decreased 3.9%, from \$500.2 to \$480.9 million.

TAX REVENUE to Local Jurisdictions:

- Bingo declined 10.9%, from \$1.7 to \$1.5 million.
- Punchboard/pull-tab (commercial and nonprofit) decreased 5.0%, from \$16.5 to \$15.7 million.
- Card rooms decreased 5.0%, from \$26.1 to \$27.4 million.

OVERALL

The total number of gambling licensees reporting activity decreased 4.4% during the past year, from 3,233 to 3,092.

Gross non-tribal gambling receipts for the state decreased 1.4%, from \$901.6 to \$888.7 million.

Obtaining Public Records

The Public Disclosure Law was created by an Initiative of the People to provide timely and meaningful public access to information concerning government activities. It was designed to build public confidence in government by allowing access to most documents within state agencies. The Act establishes a strong state policy for disclosure of public records.

1. What information is available without going through public disclosure?

For your convenience, numerous records and information are posted on our website and available to you without going through the public disclosure process. Following is some of the information posted:

- Lists of licensed organizations
- Licensed operator activity statistics
- Commission meeting minutes
- Commission meeting agendas
- Agency newsletters
- Gambling laws and rules
- Proposed changes to rules
- Blank license applications
- House-banked card room information
- Mandatory training information

2. What public records are available for inspection?

All records maintained by state and local agencies are available for your inspection, unless they are specifically exempted by law.



“The people of this state do not yield their sovereignty to the agencies that serve them... The people insist on remaining informed so that they may maintain control over the instruments they have created.”

RCW 42.17.251

3. What records are exempt?

In general, records that are not available through public disclosure are listed in RCW 42.17.310(1). While most documents are available for inspection, some are not. Most of the exemptions are designed to protect personal information that would violate a person's right to privacy. For example, an individual's home address, home phone number, birth date, and social security number are exempt.

Other exemptions are designed to protect the investigative functions of law enforcement and other agencies with investigative responsibilities. The following records are necessary to provide effective law enforcement and will not be released:

- ☐ Names of confidential informants;
- ☐ Intelligence information;
- ☐ Materials that would undermine effective law enforcement efforts; and
- ☐ Criminal history printouts obtained for purposes of conducting background checks on applicants and licensees.

Information about an Administrative Case that is under **active** investigation will not be released. After Administrative Charges are issued, we will release a copy of the Charges. The Final Order is available to you after a Judge has issued it.

License applications are available after our investigative process is complete.

4. Agency not required to create records.

Generally, we must provide access to existing public records in our possession. We are not required to collect information or organize data to create a record not existing at the time of your request.

5. Affected persons may be notified.

We may notify persons to whom the record pertains to let them know that the record has been requested.

The agency, or person, identified in a record, may ask a superior court to prevent an inspection of the record. However, before preventing inspection, the court must find the examination would not be in the public interest and would damage a person or a vital governmental operation.

6. How to request a public record.

Complete the Public Disclosure Request form, which is posted on our website under *Applications and Forms* and return it to:

Washington State Gambling Commission
Attention: Rodney Joubert
P.O. Box 42400
Olympia, Washington 98504-2400

You should make your request as specific as possible. The more precisely you can identify the record you want, the more responsive we can be. If you don't have access to the web, please call Rodney Joubert at (800) 345-2529, extension 3529 or e-mail rodneyj@wsgc.wa.gov and he will fax or mail the form to you.

7. How soon will you get a response?

After we receive your request, you will hear from us within five business days. We will either:

- a. Provide the requested information to you;
- b. Deny your request and explain why it was denied; or
- c. Acknowledge receipt of your request and provide an estimate of when the records will be sent to you. Additional time beyond the five days may be needed to clarify your request, locate and assemble records, notify people and agency's affected by your request, or to determine whether any of the records are exempt from disclosure. **The more specific your request, the quicker it can be processed.**

8. Will you be charged for your request?

There is no fee for staff time spent locating a record, or for staff time used to make a record available. For example, you will not be billed for staff's time used to assist you if you inspect a record in person.

You will be charged for the actual costs connected with copying public records, including fifteen cents a page for each photocopy, unless the actual cost is higher. For example, if an outside source is needed to copy records, such as photographs, blueprints or tape recordings, those costs will be paid by you. You may also be charged for postage, delivery and envelope costs.

9. Can you request information for commercial purposes?

Lists of "**individuals or natural persons**" are not available through public disclosure if the information will be used for commercial purposes. For example, you may not request a list of card room employees for the purpose of soliciting them to attend your dealer school.

However, lists of **businesses** (not individuals) are available for commercial purposes. For example, you may obtain lists of card rooms or pull-tab operators for the purpose of soliciting them to purchase your merchandise or services.

If you desire more specific information, you may review the entire Public Disclosure Law, RCW 42.17, on our website at *All About Rules, Search WAC and RCW*. If you have any questions, please contact Rodney Joubert, the agency's records officer at (800) 345-2529, extension 3529 or e-mail rodneyj@wsgc.wa.gov.

Focus on Gambling is published quarterly by the Washington State Gambling Commission. If you have any ideas for upcoming issues, please contact Susan Arland, Editor, at (360) 486-3466 or toll free at (800) 345-2529, extension 3466. Or, write to Gambling Commission, P.O. Box 42400, Olympia, Washington 98504-2400, Attention: Susan Arland

I've Got a Question

Here are some of the common questions we receive about punch boards and pull-tabs. If you have additional questions, please contact your local field agent. See back page for contact numbers.

1. Is there a specific time that I must pull games that are in play?

No. There are no rules that require the operator to leave a game in play or when to pull the game from play. Each operator is encouraged to determine his or her own formula. Some operators use a calculation based on the cost of games plus a certain profit they hope to make before pulling a game.

2. Can I pull a game from play if it is being played?

Yes. That is the technical answer. However, you might want to consider public relations and the possibility of physical conflict if a game is pulled while being actively played. It is your choice.

3. If a player refused to produce proper identification or provides fake identification, do I have to pay the winner?

No. Gambling rules specify that all winners over \$20 must provide adequate and true identification. If the person refuses to do so, you are under no obligation to violate the rules by paying the winner. If a person produces fake identification, he/she may be attempting to defraud you. Get a hold of your local law enforcement agency immediately.

4. What type of identification should I accept to identify the winner?

WAC 230-30-070 does not specifically address what is acceptable identification; however, the type of identification that would be acceptable by the Liquor Control Board would be good identification for your purposes. You should obtain identification that assures that you, as a licensee, have no question as to the identity of the winner. Whatever you would accept in order to allow a person to cash a check would be appropriate, also.

5. Can I "reserve" a pull-tab game for a specific player?

Yes. Your house rules must be posted spelling out how and when a game will be reserved. There must

also be a sign posted on the flare that the game is reserved.

6. If I reserve a game for a player, can I put the game back into general play when the player no longer wants to play the game?

Yes. As long as the game and flare remained up and visible to other players, it can be returned for general play. Also, you can decide to immediately pull the game from play; the choice is yours.

7. Can I hold a game for a player and take it out of the container or remove it from public view while I am waiting for the player to return?

This is similar to reserving a game, with some important exceptions. If you "hold" a game, you may remove it from the dispensing device and from public view. However, you may not hold it for more than 7 days without any play, or more than 14 days overall. Also, once the player is finished, the game may not be put back into public play. It must be pulled. You cannot hold more than 25 games at a time.

8. Do all of my employees who sell punch boards and pull-tabs have to attend mandatory training?

No. However, mandatory training is an excellent way for employees to learn the rules and regulations regarding the sale and retention of punchboards and pull-tabs.

The persons who signed the license application, plus the manager of other designated person(s) responsible for conducting the gambling activity or completing records, are the only persons required to attend training.

9. If I decide to operate a merchandise game and the prizes are too big to fit behind the bar, can I just put out one for show and secure the rest in the back room?

No. WAC 230-30-070 specifically states that all prizes must be displayed in the vicinity of the game and all prizes shall be in plain view of the players.

10. Is there an easy way to tell if someone is trying to pass an altered pull-tab?

Yes and No. Some people are very good at trying to get your money. Most attempts to pass a bad pull-tab are very sloppy and with a little effort on employees' part can be spotted. First, make sure your employees know about and use both the primary and secondary win protection codes. This is the most valuable tool you have to prevent or catch bad tabs. Second, take the time to "feel" the tab being presented for payment. No one can alter a tab and make it feel like an original. Run your fingers across the face. If it is bumpy or uneven, suspect a fraud. Run your fingers along the edges, again, if uneven, suspect fraud. A little extra time can save you big money.

11. If I suspect a theft or fraud, whom do I contact?

Immediately call your local law enforcement agency. They have the primary responsibility to investigate all thefts or attempts. Be prepared to give all the information about the incident, including the suspect. If you can, obtain identification from the suspect before he/she becomes suspicious of your actions. Do not return the identification until the law enforcement representative has arrived. After the initial law enforcement contact, call your local agent and advise of the incident. He/she will contact the law enforcement agency and follow up.

12. Do I have to honor pull-tabs that are removed from the premises?

No. There is not a specific gambling rule, which does not allow this, only house rules. You should establish a house rule that covers this issue to save on complaints.

13. Can I utilize a "dead game service" to store my games and do my records? If so, does the business need to be licensed?

Yes. You can utilize a service to store your games and complete your records. You must remember, if there happens to be a mistake in record keeping, you, as a licensee, are totally responsible for the mistake. Many dead game services will be required to be licensed by the Gambling Commission, but it depends on the level of service they are providing to you. Check with your local agent before signing any contracts with such a service to see if they will need to be licensed.

14. The rule says that I must "conspicuously" and permanently delete a winner with a value of more than \$20 from the flare. What is considered "conspicuously"?

The general rule is that the prize must be deleted in a manner that would allow a person sitting on the other side of your bar and in the light available to easily see that a specific prize is no longer available. This can be done with either stickers or a heavy permanent-marking pen. However, if you choose to use a sticker to delete the prizes from the flare, you must also use a permanent-marking pen underneath the sticker.

15. Winning tickets worth more than \$20 must be defaced. What is a proper means of defacing and when must the defacing be done?

Winners worth more than \$20 must be defaced through the winning symbols. This is necessary to prevent the winning symbols to be removed and utilized to defraud you or another licensee. Defacing must be done within 24 hours of redeeming the ticket, but we recommend that you do it immediately when you are going through the redemption process so you don't forget or pay off twice on the same ticket.

16. Can parents allow their children under the age of 18 years to open their pull-tabs?

WAC 230-30-050 prohibits persons under the age of 18 from selling or playing. It is the responsibility of the licensee to see that no person under 18 years of age is allowed to play or sell pull-tabs. Although the opening of pull-tabs may not be "playing", there are some important public perception issues involved if you allow this activity to occur. We recommend you discourage the practice whenever possible, and specifically not to pay out the prize to any minors who present tickets to you.

17. What is the rule regarding the proper disposal of used punchboards and pull-tab series?

There is no formal rule regarding the disposal of used boards or series. It is recommended that you dispose of them in a manner that will not allow someone to obtain them and use the unclaimed winners to defraud you or another licensee. Soaking or burning are the preferred methods.

Administrative Case Update

LICENSEE	VIOLATION	CASE OUTCOME
Gametech International, Nevada	Violation of a prior Agreed Order and misrepresentation of its relationship with an unlicensed manufacturer.	The licensee agreed to a 60-day suspension. Thirty days were deferred for two years. The remaining 30 days were vacated by payment of a \$198,000 fine, and reimbursement of the Commission's costs of \$19,101. The licensee also agreed that its manufacturer, Tidal Power, would submit an application by November 15, 2002, which it did. Should Tidal Power not qualify for licensure, the licensee will move all Tidal Power hand-held bingo units from Washington State, or forfeit the units to the state. The licensee further agreed to pay the costs of a follow-up investigation.
Club Fiji, Everett	Misrepresentation of a material fact, failure to disclose loans, and various internal control violations.	The licensee agreed to surrender its license and not reapply until after March 31, 2003.
Sidney's Restaurant & Sports Bar, Aberdeen	Failure to timely submit payment due on a fine.	An Order of Suspension was issued imposing a two-day suspension.
Final Score Sports Bar & Grill, Bonney Lake	Failure to disclose loans, failure to provide requested documentation, and operating with an expired license.	Although the Final Score was sold after charges were issued, the former owners still have an active license for another business, the Sports Page. The licensee agreed to a 30-day suspension. Fifteen days were deferred for one year. The licensee chose to serve the remaining 15 days. The licensee also agreed to reimburse the Commission for its costs of \$600.
Seattle Jaycees, Seattle	Misuse of funds - funds not spent on the licensee's stated purpose.	The licensee agreed to a 30-day suspension. Fifteen days were deferred for one year. The remaining 15 days were vacated by payment of a \$6,660 fine. The licensee also agreed to pay the costs of a follow-up investigation.
Fraternal Order of Eagles #3602, Ocean Park	Failure to deposit pull-tab receipts within two banking days, failure to comply with various record-keeping requirements, and failure to fully comply with the terms of a prior Agreed Order.	The licensee agreed to a 20-day suspension. Ten days were deferred for one year. The remaining 10 days were vacated by payment of a \$522 fine. The licensee also agreed to reimburse a portion of the Commission's costs of \$500.
NW Amateur Hockey Association, Everett	Failure to meet its adjusted cash flow requirements.	The licensee requested a variance of its cash flow requirement; however, prior to its hearing, the licensee chose to surrender its license.

Casey McCollum, applicant for a card room employee license, formerly employed at Cleopatra's Club Casino, Kennewick	Criminal history.	The applicant did not respond to the Statement of Charges. Therefore, the Commissioners entered an Order of Default denying Ms. McCollum's card room employee license application at their October meeting.
Charles Mears, card room employee, formerly employed at Thunderbird Casino, Yakima	Criminal history and failure to fully disclose that history.	The licensee did not respond to the Statement of Charges. Therefore, the Commissioners entered an Order of Default for the revocation of Mr. Mears' license at their October meeting.
Casey Payne, card room employee, Cleopatra's Club Casino, Kennewick	Criminal history.	A hearing was held on September 19, 2002. The Administrative Law Judge ordered the revocation of the card room employee license. The licensee did not appeal.
Kimberly Donaldson, card room employee, River Bend Casino, Spokane	Alleged theft of a \$5 poker chip.	The licensee agreed to a seven-day suspension.
Matthew Camilon, card room employee, formerly employed at Golden Nugget Casino, Tukwila	Misrepresenting and falsifying daily tip records.	The licensee agreed to surrender his license for a year.
Curtis Titmus, card room employee, formerly employed at Diamond Lil's, Renton	Cheating.	The licensee requested a hearing. However, prior to hearing, his license expired and he did not renew.
Sothy Kem, card room employee, formerly employed at Roman Casino, Seattle	Cheating.	A hearing was held on August 16, 2002. The Administrative Law Judge ordered the card room employee's license revoked. The licensee filed a Petition for Review, which was heard on November 15, 2002. The licensee failed to appear. The Commission upheld the Administrative Law Judge's ruling.
Roeub Hin, card room employee, formerly employed at Silver Dollar Casino, Tukwila	Cheating.	A hearing was held on August 16, 2002. The Administrative Law Judge ordered the card room employee's license revoked. The licensee filed a Petition for Review, which was heard on November 15, 2002. The licensee failed to appear. The Commission upheld the Administrative Law Judge's ruling.
Bevic Management, Inc., Stanwood (Beverly Milligan, owner)	Hidden ownership, misrepresentation of a material fact, failure to disclose.	A hearing was held on July 16, 2002. The Administrative Law Judge ordered the revocation of the service supplier license. The licensee did not appeal.

Late Quarterly Reports

Administrative Charges were issued to the following licensees for failing to submit quarterly activity reports on time.

LICENSEE	VIOLATION	CASE OUTCOME
Surf House Tavern, Pacific Beach Trav's Tavern, Wenatchee Kapowsin Ale House & Grill, Kapowsin Eldorado Restaurant & Lounge, Tacoma	Failure to timely submit Quarterly Activity Report for 2 nd quarter of 2002.	Each licensee agreed to a 15-day suspension. Five days were deferred for one year. The remaining 10 days were vacated by payment of a \$500 fine and reimbursement of the Commission's costs of \$240.
Conway Pub & Eatery, Conway	Failure to timely submit Quarterly Activity Reports for 1 st & 2 nd quarters of 2002.	The licensee agreed to a 20-day suspension. Eight days were deferred for one year. The remaining 12 days were vacated by payment of a \$750 fine and reimbursement of the Commission's costs of \$240.
Sage Bar/Grill & Casino, Spokane	Failure to timely submit Quarterly Activity Report for 1 st quarter of 2002. 4 th violation in 12-month period.	The licensee requested a hearing, which was held on October 15, 2002. The licensee did not appear. Therefore, the Administrative Law Judge ordered the revocation of Sage's license. The licensee did not appeal.

The following licensees failed to submit their quarterly reports when due for second quarter 2002 (2nd quarter = April 1 to June 30). They have now submitted their reports and paid a fine based on the number of late reports in the preceding one-year period.

LICENSEE/LOCATION	FINE
Branding Iron, Entiat	\$200
Brandis Broiler, SeaTac	\$200
Cap Hansen's, Bellingham	\$200
Caruso's Restaurant, Maple Valley	\$200
Christo's, Bellingham	\$200
Cue & Cushion, Tacoma	\$400
Damans Tavern, Redmond	\$200
Elephant & Castle, Bellingham	\$200
Herb's Tavern, Friday Harbor	\$200
Pioneer Rest. & Sody-licious Bar, Roslyn	\$200
Richie D's Grill & Bar, Mountlake Terrace	\$400
Silver Lode Rest. & Lounge, Conconully	\$200
Smokey Joe's Tavern, Carnation	\$200
T & E Grill, Thorp	\$200
Tip Top Tavern, Vancouver	\$200

Schedule of Fines	
First Offense.....	\$200
Second Offense	\$400
Third Offense	\$600
Fourth Offense.....	Statement of Charges issued against the license.
Subsequent offenses may lead to loss of license	

New Schedule of Fines for Submitting Late Activity Reports Effective 3 rd Quarter 2002	
First Offense	\$300
Second Offense	\$500
Third Offense	Statement of Charges to revoke your gambling license
Subsequent offenses may lead to the loss of license.	

NOVAS Issued for Rules Violations

The Notice of Violation and Settlement (NOVAS) was created as a way to remedy some violations of gambling rules without going through the full administrative process. A NOVAS is issued directly by a Gambling Commission field agent to a licensee at the time of the violation. The written Notice documents the violation, provides information on how to correct the violation and provides immediate information about the penalty, i.e. a \$200 fine.

Licensees may settle the matter by payment of a \$200 fine in lieu of a formal Statement of Charges. If a licensee does not submit the \$200 fine within 15 days, a Statement of Charges will be issued.

**The following licensees were issued a NOVAS during 3rd and 4th Quarters 2002.
Each licensee has corrected the violation and paid a \$200 fine.**

Licensee	Violation
BC McDonalds, Bothell	Gambling activities conducted without a valid license.
Big Al's Casino, Everett	Inadequate NSF check log.
Big Al's Casino, Everett	Inaccurate playing card destruction log.
Cafe International, Blaine	Control structure - Failure to have supervision during Class F card game. Inaccurate and incomplete card room daily records.
Cedars Tavern, Ferndale	Failure to maintain accurate record of house players. Failure to maintain a complete record of tournament times and prize winner records.
Cedars Tavern, Ferndale	Control structure – Failure to have supervision and failure to properly tape record card room activity.
Club Broadway/Big Apple Casino, Everett	Failure to accurately account for table inventories.
Funsters Grand Casino, SeaTac	Allowing an unlicensed card room employee to work.
Golden Nugget Casino, Shoreline	Incomplete signature cards. Failure to notify the Commission of terminated employees.
Goldie's Shoreline Casino, Shoreline	Failure to retain card room surveillance tapes.
Loom 01666, North Bend	Allowing a gambling manager to work with an expired license.
Luciano's Casino Ristorante, Tacoma	Operating a non-approved player-supported jackpot.
Luciano's Casino Ristorante, Tacoma	Operating a gaming table when CCTV system was not functional. Failure to maintain audio monitoring in soft count room.
Maxey's Restaurant, Lakewood	Failure to accurately complete the punch board/pull-tab monthly income summary. Failure to consistently delete prizes won from pull-tab flares.
Melinda L. Tjosvoll, Seattle	Employing an unlicensed card room employee.
Oh Gallaghers Sports Pub, Lakewood	Licensee failed to award pull-tab prize in cash or merchandise.
Players Casino Sports Club & Grill, Federal Way	Illegal card room promotion.
Schooner, Lakewood	Failure to remove merchandise prize from a pull-tab flare and failure to present a prize to the winner on demand.
Sno-King Amateur Hockey Association, Kirkland	Failure to separately deposit gross gambling receipts from gift certificate sales into gambling account.
Sports Keg, Burlington	Allowing an unlicensed card room employee to work.
Top Notch Distributing, Rainier	Failure to clearly set out each of the pull-tab prizes available and the numbers or symbols that win each prize.
Viking Bowl & Restaurant, Westport	Failure to delete prizes over \$20 from pull-tab flares.

REGULATION OF TRIBAL CASINOS

In the fall of 1988, President Reagan signed into law the Indian Gaming Regulatory Act (IGRA). This Federal Act confirmed the rights of tribes to conduct gaming on Tribal lands through agreements with the state (Tribal-State Gaming Compacts) and established a statutory framework for the regulation of Indian Gaming. The result is that Washington State Tribes have three agencies involved in the regulation of their Tribal casinos.

- The **National Indian Gaming Commission** is the federal agency responsible for regulation of gaming on Indian lands. It has established the federal standards for gaming on Indian lands called the Minimum Internal Control Standards.
- The **Washington State Gambling Commission** was given authority to regulate gaming on Tribal lands through provisions contained in Tribal-State Compacts. The Tribal-State Compacts establish the foundation of a regulatory partnership that exists between the State and each compacted Tribe.
- In addition, each Tribe must establish a **Tribal Gaming Commission/Agency** to regulate all Tribal gaming operations. The Tribal-State Gaming Compact requires an agent to be onsite during all gaming hours. Tribal Gaming Agencies are responsible for enforcement of the National Indian Gaming Commission's Minimum Internal Control Standards, Tribal-State Compact provisions, and all Tribal ordinances and regulations.

If you have questions about tribal gaming or a specific tribal casino, please contact our Tribal Gaming Unit at tribalgamingunit@wsgc.wa.gov or at (800) 345-2529, extension 3581.

TYPES OF INDIAN GAMING

The Indian Gaming Regulatory Act created three classes of “Indian gaming” and provides a different regulatory scheme for each class. Under the Act, if the activity is allowed in the state, the Tribes may offer it.

- Class III (Nevada-style) gaming includes activities such as lotteries, casino games, house-banked card games, horse racing, pari-mutuel wagering, off-track betting, keno and machine gaming.
- “Class II” gaming includes bingo, pull-tabs, punch boards, tip jars and other games similar to bingo. Card games that are not banked by the house are considered Class II. Regulation of these games is within tribal jurisdiction, subject to oversight by the National Indian Gaming Commission.
- Traditional or ceremonial “Class I” gaming remains within the exclusive jurisdiction of the Indian tribes. These are social games played solely for prizes of minimal value or traditional forms of Indian gaming connected with tribal ceremonies or celebrations



Washington State Gambling Commission

Record of Revisions made to the September 2001 Rules Manual

Updated through the November 2002 Commission meeting.
Remove this page from the newsletter and place it in the front of your rules manual.

Admin. Order Number	WAC 230-	Title of Rule	Effective Date	Status (new, amended or repealed)
404	40-803	Phase II wager limits – Restrictions – Procedures.	08/13/01	Amended
405	40-010	Social card games – Rules of play – Types of card games authorized.	01/01/02	Amended
405	40-070	Licensee to furnish all cards, chips and other services.	01/01/02	Amended
406	20-325	Manner of conducting a raffle.	01/01/02	Amended
406	20-335	Members-only raffles – Procedures – Restrictions.	01/01/02	Amended
407	04-207	House-banked card games – Additional requirements.	01/01/02	Amended
407	40-801	Interruption of card games – Preoperational review and evaluation required – Procedures – House-banking.	01/01/02	New
408	04-202	Fees – Bona fide charitable/nonprofit organizations.	01/01/02	Amended
408	04-203	Fees – Commercial stimulant and other business organizations.	01/01/02	Amended
408	04-204	Fees – Individuals.	01/01/02	Amended
408	08-017	Control of gambling equipment – Use of identification and inspection services stamps.	01/01/02	Amended
409	20-244	Electronic bingo card daubers-Definition-Operating restrictions-Standards.	07/01/02	Amended
409	20-246	Manner of conducting bingo.	07/01/02	Amended
409	20-249	Three number speed bingo – Operational procedures – Restrictions.	07/01/02	Amended
410	30-033	Event pull-tab series – Definitions – Restrictions.	07/01/02	Amended
410	30-045	Pull-tab series with carry-over jackpots– Definitions – Requirements.	07/01/02	Amended
410	30-072	Punch board and pull-tab inventory control – Retention requirements – Audit adjustments.	07/01/02	Amended
411	12-330	Availability of gambling equipment and related products and services – Prices – Contracts – Discounts – Restrictions – Expectations.	07/01/02	Amended
411	12-340	Sales of gambling equipment, devices, supplies, paraphernalia, and related services – Credit prohibited – Exceptions.	07/01/02	Amended
411	30-106	Punch board and pull-tab flares restrictions – Standards – Substitute flares.	07/01/02	Amended
412	04-064	Certification of new licenses – Formal commission approval.	07/01/02	Amended
412	08-255	Bona fide charitable or nonprofit organizations – Qualification Reviews - Significant progress required – Exception.	07/01/02	Amended

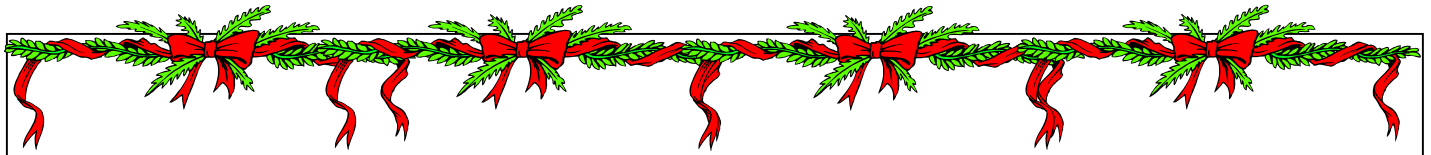
October – December 2002

413	02-145	Promotional marketing gifts.	07/01/02	Repealer
413	12-045	Promotions for gambling activities--Conditions--Restrictions.	07/01/02	New
413	12-050	Extension of credit, loans, or gifts prohibited--Limited exception.	07/01/02	Amended
413	20-111	Promotional activities--Performances as gifts--Advance approval required.	07/01/02	Repealer
413	20-125	Discounts and promotional gifts--Authorized--Limits.	07/01/02	Repealer
413	20-230	Free games for winners--Restrictions	07/01/02	Repealer
413	40-800	Operating rules for house banked-card games	07/01/02	Amended
413	40-897	Card game promotions--Procedures--Restrictions.	07/01/02	Repealer
414	40-610	Player-supported jackpots--Restrictions--Manner of conducting --Approval.	01/01/03	Amended
415	04-180	Background checks--Fingerprinting	09/13/02	Amended
416	04-315	Change in schedule.	09/13/02	Repealer
416	12-090	Problem gambling and caution disclosure--Advertisements and posting signs.	09/13/02	Amended
416	20-002	Shared facilities for bingo licensees--Separate management.	09/13/02	New
416	20-005	Shared management and facilities for bingo licensees--Shared allocation of revenues and expenses.	09/13/02	New
416	20-070	Regulation of managers, operators, and other employees--Charitable or nonprofit organizations.	09/13/02	Amended
416	20-104	Cash register method of receipting bingo income.	09/13/02	Amended
416	20-170	Hours for bingo games.	09/13/02	Amended
416	50-010	Adjudicative proceedings--Hearings.	09/13/02	Amended
417	04-202	Fees – Bona fide charitable/nonprofit organizations.	06/30/03	Amended
417	04-203	Fees – Commercial stimulant and other business organizations.	06/30/03	Amended
417	04-204	Fees – Individuals.	06/30/03	Amended
417	08-017	Control of gambling equipment – Use of identification and inspection services stamps.	06/30/03	Amended



WASHINGTON STATE GAMBLING COMMISSION

2003 Commission Meeting Schedule



January 9th & 10th

WestCoast Hotel Olympia
2300 Evergreen Park Drive SW
Olympia, WA 98502 – (360) 943-4000

February 13th & 14th

Best Western Aladdin Motor Inn
900 S Capitol Way
Olympia, WA 98501 – (360) 352-7200

March 13th & 14th

Best Western Aladdin Motor Inn
900 S Capitol Way
Olympia, WA 98501 – (360) 352-7200

April 10th & 11th

Hampton Inn/Foxhall
3985 Bennett Drive
Bellingham, WA 98225 – (360) 676-7700

May 8th & 9th

Red Lion Hotel
1225 North Wenatchee Ave
Wenatchee, WA 98801 – (509) 663-0711

June 12th & 13th

LaConner Maple Hall
108 Commercial Street
LaConner, WA 98257 – (360) 466-3101

July

No Meeting!

August 14th & 15th

The Heathman Lodge
7801 NE Greenwood Drive
Vancouver, WA 98662 – (360) 254-3100

September 11th & 12th

Best Western Icicle Inn
505 Highway 2
Leavenworth, WA 98826 – (509) 548-7000

October 9th & 10

Double Tree Hotel - Spokane City Center
322 N Spokane Falls Court
Spokane, WA 99201 – (509) 744-2310

November 13th & 14th

DoubleTree Guest Suites Southcenter
16500 Southcenter Parkway
Seattle, WA 98199 – (206) 575-8220

December

No Meeting!

Fee Increase and Expanding Bingo and Punch Board/Pull-Tab Classes Approved

Licensing fees and Identification Stamp fees will go up about 3.29%. This fee increase was approved by the Commission at the November 2002, Commission meeting, but they delayed the effective date to June 30, 2003.

In addition to the fee increase, the license classes for bingo were expanded from Class M to Class S and for punch boards/pull-tabs from Class O to Class V. The classes were expanded to accommodate possible increases in charitable and nonprofit gambling due to the 2002 bingo legislation, which allows bingo games to be operated seven days a week and bingo operators to share a facility. This change provides relief to bingo licensees with a reduction in licensing fees based on their gross receipts. *These updated rules are included on pages 17 to 30. Please insert them into your rules manual.*

E-Mail Distribution of Agency Newsletters

Thanks to all of the licensees who have requested to receive their newsletter via the Internet. Several have visited our web site and recorded their email address for this purpose. The agency hopes to save printing and mailing costs by using this alternative.

Anyone choosing to receive the newsletter via the Internet will be notified when the newsletter has been posted to the web site and is ready to be downloaded. Hard copies for those not receiving electronic notification will be mailed approximately two weeks after the newsletter is posted on the site.

If you are interested in receiving your newsletter in this format, please visit our web site at www.wsgc.wa.gov and register your address under **Newsletters**.



Happy New Year!

AMENDATORY SECTION

WAC 230-04-202 Fees--Bona fide charitable/nonprofit organizations. Bona fide charitable and nonprofit organizations shall submit the following fees to the commission when applying for gambling licenses, permits, miscellaneous changes, inspection services, or when assessed the cost of special investigation procedures by the commission:

LICENSE TYPE		DEFINITION	FEE
1. AMUSEMENT GAMES		(Fee based on annual gross gambling receipts)	
*	Class A	Premises only	\$ ((53)) <u>54</u>
	Class B	Up to \$ 10,000	\$ ((53)) <u>54</u>
	Class C	Up to \$ 25,000	\$ ((285)) <u>294</u>
	Class D	Up to \$ 50,000	\$ ((457)) <u>472</u>
	Class E	Over \$ 50,000	\$ ((797)) <u>822</u>

* Allows a charitable or nonprofit organization to enter into a contract with Class "B" or above commercial amusement game licensee to locate and operate amusement games on their premises.

2. BINGO GROUP		(Fee based on annual gross gambling receipts)	VARIANCE *	
Class A	Up to \$	((15,000)) <u>25,000</u>	\$ 1,000	\$ ((53)) <u>54</u>
Class B	Up to \$	((50,000)) <u>75,000</u>	\$ 1,000	\$ ((166)) <u>171</u>
Class C	Up to \$	((100,000)) <u>150,000</u>	\$ 2,000	\$ ((339)) <u>350</u>
Class D	Up to \$	((250,000)) <u>350,000</u>	\$ 4,000	\$ ((915)) <u>944</u>
Class E	Up to \$	((500,000)) <u>650,000</u>	\$ 8,000	\$ ((1,541)) <u>1,590</u>
Class F	Up to \$	((1,000,000)) <u>1,500,000</u>	\$ 15,000	\$ ((3,095)) <u>3,196</u>
Class G	Up to \$	((1,500,000)) <u>2,000,000</u>	\$ 23,000	\$ ((4,467)) <u>4,612</u>
Class H	Up to \$	((2,000,000)) <u>3,000,000</u>	\$ 30,000	\$ ((5,967)) <u>6,162</u>
Class I	Up to \$	((2,500,000)) <u>4,000,000</u>	\$ 38,000	\$ ((7,455)) <u>7,700</u>
Class J	Up to \$	((3,000,000)) <u>5,000,000</u>	\$ 45,000	\$ ((8,945)) <u>9,238</u>
Class K	Up to \$	((3,500,000)) <u>6,000,000</u>	\$ 53,000	\$ ((10,034)) <u>10,364</u>
Class L	Up to \$	((4,000,000)) <u>7,000,000</u>	\$ 60,000	\$ ((11,470)) <u>11,846</u>
((Class M and above	Over \$	4,000,000	Not applicable	12,906))
Class M	Up to \$	<u>8,000,000</u>	\$ 65,000	\$ 13,330
Class N	Up to \$	<u>9,000,000</u>	\$ 70,000	\$ 14,500
Class O	Up to \$	<u>10,000,000</u>	\$ 75,000	\$ 16,000
Class P	Up to \$	<u>11,000,000</u>	\$ 80,000	\$ 17,500
Class Q	Up to \$	<u>12,000,000</u>	\$ 85,000	\$ 21,000
Class R	Up to \$	<u>13,000,000</u>	\$ 90,000	\$ 24,000
Class S	Up to \$	<u>14,000,000</u>	\$ 95,000	\$ 27,000

Administrative Order #417 Effective 6-30-03

October – December 2002

* A licensee will be allowed a one-time variance for each license class without having to upgrade or pay the penalties set forth in WAC 230-04-260: Provided, That a licensee utilizing the variance shall be required to upgrade to the higher license class upon renewal.

3. CARD GAMES

Class A	General (Fee to play charged)	\$ ((571)) 589
Class B	Limited card games - hearts, rummy, pitch, pinochle, and cribbage (Fee to play charged)	\$ ((166)) 171
Class C	Tournament only - no more than ten consecutive days per tournament	\$ ((53)) 54
Class D	General (No fee to play charged)	\$ ((53)) 54

4. FUND-RAISING EVENT

Class A	One event - not more than 24 consecutive hours First time applicant	\$ ((339)) 350
	*Previously licensed applicant	\$ ((200)) 206
Class B	One event - not more than 72 consecutive hours First time applicant	\$ ((571)) 589
	*Previously licensed applicant	\$ ((350)) 361
Class C	Additional participant in joint event (not lead organization)	\$ ((166)) 171
Class D	Limited fund-raising event (one event - not more than six consecutive hours) First time applicant	\$ ((150)) 154
	**Previously licensed applicant	\$ ((100)) 103
Class E	Fund-Raising Event Equipment Distributor - rents or leases, equipment for fund-raising event or recreational gaming activity for no more than ten times per year***	\$ ((226)) 233
Class F	Fund-Raising Event Equipment Distributor - rents or leases equipment for fund-raising event or recreational gaming activity more than ten times per year.	\$ ((571)) 589

* Provides for a reduced fee when charitable and nonprofit organizations apply for an additional Class A or Class B fund-raising event.

** Provides for a fee reduction when charitable and nonprofit organizations apply for an additional Class D limited fund-raising event.

*** Charitable and nonprofit organizations licensed to conduct fund-raising events may rent their equipment up to four occasions during the term of the license without getting licensed as a distributor.

5. PUNCH BOARDS/PULL-TABS

		(Fee based on annual gross gambling receipts)*	VARIANCE
Class A	Up to \$ 50,000	\$ 5,000	\$ ((544)) 561
Class B	Up to \$ 100,000	\$ 5,000	\$ ((971)) 1,002
Class C	Up to \$ 200,000	\$ 10,000	\$ ((1,832)) 1,892
Class D	Up to \$ 300,000	\$ 10,000	\$ ((2,663)) 2,750
Class E	Up to \$ 400,000	\$ 10,000	\$ ((3,440)) 3,552
Class F	Up to \$ 500,000	\$ 10,000	\$ ((4,153)) 4,288
Class G	Up to \$ 600,000	\$ 10,000	\$ ((4,812)) 4,970
Class H	Up to \$ 700,000	\$ 10,000	\$ ((5,416)) 5,594

Class I	Up to	\$ 800,000	\$ 10,000	\$ ((5,967)) <u>6,162</u>
Class J	Up to	\$ 1,000,000	\$ 20,000	\$ ((6,765)) <u>6,986</u>
Class K	Up to	\$ 1,250,000	\$ 25,000	\$ ((7,509)) <u>7,756</u>
Class L	Up to	\$ 1,500,000	\$ 25,000	\$ ((8,201)) <u>8,470</u>
Class M	Up to	\$ 1,750,000	\$ 25,000	\$ ((8,771)) <u>9,058</u>
Class N	Up to	\$ 2,000,000	\$ 25,000	\$ ((9,290)) <u>9,594</u>
Class O	Over	\$ 2,000,000	\$ 30,000	\$ ((10,208)) <u>Non-applicable</u>
Class O	Up to	\$ 2,500,000	\$ 30,000	\$ 10,542
Class P	Up to	\$ 3,000,000	\$ 35,000	\$ 11,200
Class Q	Up to	\$ 4,000,000	\$ 40,000	\$ 13,200
Class R	Up to	\$ 5,000,000	\$ 50,000	\$ 15,000
Class S	Up to	\$ 6,000,000	\$ 60,000	\$ 17,000
Class T	Up to	\$ 7,000,000	\$ 70,000	\$ 19,000
Class U	Up to	\$ 8,000,000	\$ 80,000	\$ 21,000
Class V	Over	\$ 8,000,000	\$ 80,000	\$ 23,000

* A licensee will be allowed a one-time variance for each license class without having to upgrade or pay the penalties set forth in WAC 230-04-260:

Provided, That a licensee utilizing the variance shall be required to upgrade to the higher license class upon renewal.

6. RAFFLES		(Fee based on annual gross gambling receipts)	
Class A	Up to	\$ 5,000	\$ ((53)) <u>54</u>
Class B	Up to	\$ 10,000	\$ ((166)) <u>171</u>
Class C	Up to	\$ 25,000	\$ ((339)) <u>350</u>
Class D	Up to	\$ 50,000	\$ ((571)) <u>589</u>
Class E	Up to	\$ 75,000	\$ ((915)) <u>944</u>
Class F	Over	\$ 75,000	\$ ((1,370)) <u>1,414</u>

7. COMBINATION LICENSE		
CLASS A	Allows gross gambling receipts of up to \$ 25,000 from bingo, \$ 7,500 from raffles, and \$ 7,500 from amusement games, not to exceed \$ 30,000 combined gross gambling receipts from all such activities. Allows general card games where no fee to play is charged.	\$ ((103)) <u>106</u>
CLASS B	Allows gross gambling receipts of up to \$ 60,000 from bingo, \$ 15,000 from raffles, and \$ 15,000 from amusement games, not to exceed \$ 75,000 combined gross gambling receipts from all such activities. Allows general card games where no fee to play is charged.	\$ ((268)) <u>276</u>

CLASS C	Allows gross gambling receipts of up to \$ 125,000 from bingo, \$ 30,000 from raffles, and \$ 30,000 from amusement games, not to exceed \$ 150,000 combined gross gambling receipts from all such activities. Allows general card games where no fee to play is charged.	\$ ((649) <u>639</u>)
8. SEPARATE PREMISES		
BINGO	Per occasion (see WAC 230-04-300)	\$ 26
9. PERMITS		
AGRICULTURAL FAIR-BINGO	(See WAC 230-04-191)	\$ 26
RECREATIONAL GAMING ACTIVITY (RGA)	(See WAC 230-25-330 and 230-02-505)	\$ ((53) <u>54</u>)
10. CHANGES		
NAME	(See WAC 230-04-310)	\$ 26
LOCATION	(See WAC 230-04-320)	\$ 26
FRE	(Date or time) (See WAC 230-04-325)	\$ 26
LICENSE CLASS	(See WAC 230-04-260)	\$ 26
DUPLICATE LICENSE	(See WAC 230-04-290)	\$ 26
11. SPECIAL FEES		
INVESTIGATION	(See WAC 230-04-240)	As required
REPLACEMENT IDENTI- FICATION STAMPS	(See WAC 230-08-017)	\$ 26
EXCEEDING LICENSE	(See WAC 230-04-260)	As required
CLASS		
REVIEW,		As required
INSPECTION AND/OR EVALUATION OF EQUI- PMENT, PARAPHERNALIA, SERVICES, OR SCHEMES	(See WAC 230-12-315)	
12. SIX-MONTH PAYMENT PLAN	(See WAC 230-04-190)	\$ 26

AMENDATORY SECTION

WAC 230-04-203 Fees--Commercial stimulant and other business organizations. All persons seeking to operate gambling activities shall submit the following fees to the commission when applying for gambling licenses, permits, miscellaneous changes, inspection services, or when assessed the cost of special investigation procedures by the commission:

<u>LICENSE TYPE</u>	<u>DEFINITION</u>	<u>FEE</u>
1. CARD GAMES		
Class B	Up to five tables of limited card games - hearts, rummy, pitch, pinochle, and/or cribbage (Fee to play charged)	\$ ((170)) <u>175</u>
Class C	Tournament only, no more than ten consecutive days per tournament.	
C-5	Up to five tables	\$ ((170)) <u>175</u>
C-10	Up to ten tables	\$ ((308)) <u>318</u>
C-15	Up to fifteen tables	\$ ((513)) <u>529</u>
Class D	General - Up to five tables (No fee to play charged)	\$ ((54)) <u>55</u>
Class E	*General (Fee to play charged)	
E-1	One table only	\$ ((409)) <u>422</u>
E-2	Up to two tables	\$ ((704)) <u>727</u>
E-3	Up to three tables	\$ ((1,172)) <u>1,210</u>
E-4	Up to four tables	\$ ((2,350)) <u>2,426</u>
E-5	Up to five tables	\$ ((3,534)) <u>3,650</u>
Additional tables up to a maximum of fifteen may be authorized for an additional per table fee of \$ ((1,027)) <u>1,060</u> .		
*In addition to the above initial license fee, the commission will assess all applicants/licensees the actual costs that exceed the license fee for conducting the initial investigation and inspection, any follow-up reviews or investigations involved in the approval of activities and schemes.		
Class F	Enhanced card room activities endorsement - Includes alternative fee collections (per hand; pot rake) and use of player-supported jackpot schemes.	
	Annual license fee	\$ ((1,540)) <u>1,590</u>
2. CARD GAMES - HOUSE-BANKED		
All tables within a card room operating any house-banked card game shall be licensed under this license class.		
	*Annual license fee	\$ ((6,166)) <u>6,368</u>
	Per table fee (up to fifteen tables)	\$ ((1,540)) <u>1,590</u>
*In addition to the above initial license fee, the commission will assess all applicants the actual costs that exceed the license fee for conducting the initial license investigation and premises inspection. Any post licensing follow-up reviews, inspections, internal control evaluations or subsequent phases of operation shall also be charged actual costs. Licensees will be evaluated and charged for these additional authorizations/phases on an individual case by case basis.		
3. COMMERCIAL (Fee based on annual gross AMUSEMENT gambling receipts) GAMES		

* Class A	Premises only	** \$ ((292/\$ 133)) 301/\$137
Class B	Up to \$ 50,000	\$ ((409)) 422
Class C	Up to \$ 100,000	\$ ((1,052)) 1,086
Class D	Up to \$ 250,000	\$ ((2,350)) 2,426
Class E	Up to \$ 500,000	\$ ((4,122)) 4,256
Class F	Up to \$ 1,000,000	\$ ((7,074)) 7,306
Class G	Over \$ 1,000,000	\$ ((8,850)) 9,140

* Allows a business that is qualified under WAC 230-04-138 (1)(f), (g), (h), (i), or (j) to enter into a contract with a class "B" or above commercial amusement game licensee to locate and operate amusement games upon their premises.

** Provides for a fee reduction of \$ ~~((459))~~ 164 when: Renewing an annual license; applying for an additional license(s) at the same premises; and/or applying for multiple licenses at the same premises.

4. PUNCH BOARDS/ PULL-TABS	(Fee based on annual gross gambling receipts)		VARIANCE*
Class A	Up to \$ 50,000	\$5,000	\$ ((559)) 577
Class B	Up to \$ 100,000	\$5,000	\$ ((998)) 1,030
Class C	Up to \$ 200,000	\$10,000	\$ ((1,882)) 1,942
Class D	Up to \$ 300,000	\$10,000	\$ ((2,736)) 2,826
Class E	Up to \$ 400,000	\$10,000	\$ ((3,534)) 3,650
Class F	Up to \$ 500,000	\$10,000	\$ ((4,268)) 4,408
Class G	Up to \$ 600,000	\$10,000	\$ ((4,946)) 5,108
Class H	Up to \$ 700,000	\$10,000	\$ ((5,566)) 5,748
Class I	Up to \$ 800,000	\$10,000	\$ ((6,132)) 6,332
Class J	Up to \$ 1,000,000	\$20,000	\$ ((6,952)) 7,180
Class K	Up to \$ 1,250,000	\$25,000	\$ ((7,718)) 7,970
Class L	Up to \$ 1,500,000	\$25,000	\$ ((8,428)) 8,704
Class M	Up to \$ 1,750,000	\$25,000	\$ ((9,014)) 9,310
Class N	Up to \$ 2,000,000	\$25,000	\$ ((9,548)) 9,862
((Class O	Over \$ 2,000,000	Nonapplicable	\$10,492))
Class O	Up to \$ 2,500,000	\$30,000	\$10,836
Class P	Up to \$ 3,000,000	\$35,000	\$11,200
Class Q	Up to \$ 4,000,000	\$40,000	\$13,200
Class R	Up to \$ 5,000,000	\$50,000	\$15,000

Class S	Up to \$ 6,000,000	\$60,000	\$17,000
Class T	Up to \$ 7,000,000	\$70,000	\$19,000
Class U	Up to \$ 8,000,000	\$80,000	\$21,000
Class V	Over \$ 8,000,000	\$80,000	\$23,000

* A licensee will be allowed a one-time variance for each license class without having to upgrade or pay the penalties set forth in WAC 230-04-260: Provided, That a licensee utilizing the variance shall be required to upgrade to the higher license class upon renewal.

5. PUNCH BOARD AND PULL-TAB SERVICE BUSINESS

(See WAC 230-04-133)	\$ ((211))
*Initial application fee	<u>217</u>
Additional associate	\$ ((132))
	<u>136</u>
Renewal	\$ ((52)) <u>53</u>

*Includes up to two associates.

6. DISTRIBUTOR (Fee based on annual gross sales of gambling related supplies and equipment)

(a) Class A Nonpunch board/pull-tab only	\$ ((586))
	<u>605</u>
Class B Up to \$ 250,000	\$ ((1,172))
	<u>1,210</u>
Class C Up to \$ 500,000	\$ ((1,762))
	<u>1,818</u>
Class D Up to \$ 1,000,000	\$ ((2,350))
	<u>2,426</u>
Class E Up to \$ 2,500,000	\$ ((3,060))
	<u>3,160</u>
Class F Over \$ 2,500,000	\$ ((3,768))
	<u>3,890</u>

In addition to the annual fee, the commission will assess all applicants the actual costs incurred in conducting the investigation and inspection necessary for initial certification.

(b) FUND-RAISING
EVENT EQUIPMENT
DISTRIBUTOR

Class A Rents or leases equipment for fund-raising event or recreational gaming activity up to 10 times per year.	\$ ((232))
	<u>239</u>
Class B Rents or leases equipment for fund-raising event or recreational gaming activity more than 10 times per year.	\$ ((586))
	<u>605</u>

7. GAMBLING SERVICE SUPPLIER

(See WAC 230-04-119)	\$ ((640))
	<u>630</u>

In addition to the annual fee, the commission will assess all applicants the actual costs incurred in conducting the investigation and inspection necessary for initial certification.

((An annual)) A fee of \$ ((~~129~~)) 136 shall be charged for each new contract initiated by the gambling service supplier.

8. LINKED BINGO PRIZE PROVIDER

(See WAC 230-04-126)	\$ ((3,920))
	<u>4,048</u>

9. MANUFACTURER (Fee based on annual gross sales of gambling related supplies and equipment)

Class A Pull-tab dispensing devices only	\$ ((586))
	<u>605</u>

Class B	Up to \$ 250,000	\$ ((1,172)) <u>1,210</u>
Class C	Up to \$ 500,000	\$ ((1,762)) <u>1,818</u>
Class D	Up to \$ 1,000,000	\$ ((2,350)) <u>2,426</u>
Class E	Up to \$ 2,500,000	\$ ((3,060)) <u>3,160</u>
Class F	Over \$ 2,500,000	\$ ((3,768)) <u>3,890</u>

In addition to the annual fee, the commission will assess all applicants the actual costs incurred in conducting the investigation and inspection necessary for initial certification, quality control inspection for additional activities or product lines, compliance suitability evaluations, and renewal of licenses when travel cost is incurred to complete the investigation.

10. PERMITS

AGRICULTURAL FAIR/ SPECIAL PROPERTY BINGO		
Class A	One location and event only (See WAC 230-04-191)	\$ 26
Class B	Annual permit for specified different events and locations (See WAC 230-04- 193)	\$ ((170)) <u>175</u>
RECREATIONAL GAMING ACTIVITY (RGA)	(See WAC 230-02-505 and 230-25-330)	\$ ((54)) <u>55</u>
MANUFACTURER'S SPECIAL SALES PERMIT	(See WAC 230-04-115)	*\$ ((205)) <u>211</u>

*The two hundred ~~((five))~~ eleven dollar fee is nonrefundable, whether the sales permit is approved or not. In addition, an applicant may be assessed additional fees incurred to process and determine suitability.

11. CHANGES

NAME	(See WAC 230-04-310)	\$ 26
LOCATION	(See WAC 230-04-320)	\$ 26
BUSINESS	(Same owners)	\$ ((54)) <u>55</u>
CLASSIFICATION	(See WAC 230-04-340)	
LICENSE CLASS	(See WAC 230-04-260) New class fee, less previous fee paid, plus	\$ 26
DUPLICATE LICENSE	(See WAC 230-04-290)	\$ 26
CORPORATE STOCK/LIMITED LIABILITY COMPANY SHARES/UNITS	(See WAC 230-04-360)	\$ ((54)) <u>55</u>
LICENSE TRANSFERS	(See WAC 230-04-125 and 230-04-340)	\$ ((54)) <u>55</u>

12. SPECIAL FEES

INVESTIGATION	(See WAC 230-04-240)	As required
IDENTIFICATION AND INSPECTION SERVICES STAMPS	(See WAC 230-08-017)	As required
QUALITY CONTROL INSPECTION FEES	(See WAC 230-30-030)	As required

REPLACEMENT OF IDENTIFICATION STAMPS	(See WAC 230-30-017)	\$ 26
EXCEEDING LICENSE CLASS	(See WAC 230-04-260)	As required
REVIEW, INSPECTION AND/OR EVALUATION OF EQUIPMENT, PARAPHERNALIA, SERVICES, OR SCHEMES	(See WAC 230-12-315)	As required
SPECIAL SALES PERMITS	(See WAC 230-04-115)	As required
ELECTRONIC CARD FACSIMILE TABLE IDENTIFICATION STAMP	(See WAC 230-08-017)	*\$ ((350)) <u>361.51</u>
	*Annually, for each separate table	
13. SIX-MONTH PAYMENT PLAN	(See WAC 230-04-190)	\$ 26

AMENDATORY SECTION

WAC 230-04-204 Fees--Individuals. Individuals shall submit the following fees to the commission when applying for gambling licenses, permits, miscellaneous changes, or when assessed the cost of special investigation procedures by the commission:

LICENSE TYPE	DEFINITION	FEE
1. CHARITABLE OR NONPROFIT GAMBLING MANAGER	Original	\$ ((166)) 171
	Renewal	\$ ((80)) 82
	Change of Employer	\$ ((80)) 82
2. LINKED BINGO PRIZE PROVIDER REPRESENTATIVE	Original	\$ ((232)) 239
	Renewal	\$ ((142)) 146
3. COMMERCIAL GAMBLING MANAGER	Original	\$ ((170)) 175
	Renewal	\$ ((82)) 84
	Change of Employer	\$ ((82)) 84
4. DISTRIBUTOR'S OR GAMBLING SERVICES SUPPLIER REPRESENTATIVE	Original	\$ ((232)) 239
	Renewal	\$ ((142)) 146
5. MANUFACTURER'S REPRESENTATIVE	Original	\$ ((232)) 239
	Renewal	\$ ((142)) 146
6. PUBLIC CARD ROOM EMPLOYEE	((CLASS A - Performs duties as defined in WAC 230-02- 415 in a class E card room.))	
	<u>CLASS A - Performs duties as defined in WAC 230-02-415 in a class E card room.</u>	
	Original	\$ ((170)) 175
	Renewal	\$ ((82)) 84
	CLASS B - Performs duties as defined in WAC 230-02-415 in enhanced and house-banked card rooms.	
	Original, in-state	\$ ((230)) 237
	Original, out-of-state	\$ ((286)) 295
	Renewal	\$ ((142)) 146
	Transfer/Additional Employee/Conversion/ Emergency Waiver Request	\$ ((56)) 57
7. OTHER FEES		
CHANGE OF NAME	(See WAC 230-04-310)	\$ 26
DUPLICATE LICENSE	(See WAC 230-04-290)	\$ 26
OUT-OF-STATE RECORDS INQUIRY	(See WAC 230-04-240)	As required

AMENDATORY SECTION

WAC 230-08-017 Control of gambling equipment--Use of identification and inspection services stamps. To ensure gambling equipment is used only as authorized, manufacturers, distributors, linked bingo prize providers, and operators shall maintain close control over all gambling equipment in their possession.

Documenting equipment transfers.

(1) Each licensee that transfers leases or provides gambling equipment shall document the transaction by completing an invoice or other written record setting forth the information required by WAC 230-08-040.

ID stamps to be affixed to equipment.

(2) Identification and inspection services stamps obtained from the commission shall be used to identify gambling equipment and shall be permanently and conspicuously affixed to all equipment and devices designated by the commission. Once attached, identification and inspection services stamps shall not be removed, disfigured, or otherwise tampered with by any person. These stamps shall be attached and controlled in the following manner:

Equipment/devices requiring ID stamps.

(3) Identification and inspection services stamps shall be attached to the following gambling equipment and devices:

- (a) Punch boards and pull-tab series;
- (b) Pull-tab dispensing devices;
- (c) Disposable bingo cards;
- (d) Coin or token-activated amusement games operated at any Class A amusement game license location;
- (e) Electronic bingo card daubers;
- (f) Electronic card facsimile table; and
- (g) Other gambling equipment or devices, as determined by the director.

Purchasing and affixing ID stamps.

(4) Identification and inspection services stamps shall only be sold to and attached by licensed manufacturers or commission staff. Provided, That a licensed owner of controlled gambling equipment may purchase and attach stamps as outlined in subsections (10) and (11) of this section;

Fees for ID stamps.

(5) The fee charged for identification and inspection services stamps shall be set by the commission at a level sufficient to fund regulation and control of gambling equipment. Fees shall be as set out below:

~~((a) Punch boards and pull-tabs:~~

- ~~(i) Standard wagers fifty cents and below twenty seven cents;~~
- ~~(ii) Standard wagers over fifty cents one dollar and two cents;~~
- ~~(iii) Progressive jackpot pull tab series ten dollars and twenty seven cents per series;~~
- ~~(iv) Pull tab series with carry over jackpots one dollar and two cents;~~

~~(b) Pull-tab dispensing devices:~~

- ~~(i) Mechanical and electro-mechanical twenty seven cents;~~
- ~~(ii) Electronic pull-tab dispensing devices that require initial and ongoing evaluation of electronic components or functions, such as reading encoded data on pull-tabs, accounting for~~

income or prizes, and other functions determined by the director— one hundred two dollars and seventy nine cents annually.

(c) Disposable bingo cards:

(i) Sets of individual cards or sheets of cards— twenty seven cents;

(ii) Collations of cards— one dollar and thirteen cents;

(iii) Cards used to play for linked bingo prizes— forty one cents per two hundred fifty cards.

~~(d) Coin or token activated amusement games~~ operated at any Class A amusement game license location— twenty five dollars and sixty nine cents annually;

~~(e) Electronic bingo card daubers~~— ten dollars and twenty seven cents annually;

~~(f) Electronic card facsimile table~~— three hundred fifty dollars annually for each table;

~~(g) Other equipment or devices~~— the actual cost of inspection or approval, as determined by the director.))

<u>Equipment Type</u>	<u>Definition</u>	<u>Fee</u>
<u>(a) Punch boards and pull-tabs</u>		
<u>(i) Standard</u>	<u>Wagers fifty cents and below</u>	<u>\$.27</u>
<u>(ii) Standard</u>	<u>Wagers over fifty cents</u>	<u>\$1.05</u>
<u>(iii) Progressive jackpot pull-tab series</u>	<u>Per series</u>	<u>\$10.60</u>
<u>(iv) Pull-tab series with carry-over jackpots</u>	<u>Per series</u>	<u>\$1.05</u>
<u>(b) Pull-tab dispensing devices</u>		
<u>(i) Mechanical and electro-mechanical</u>		<u>\$.27</u>
<u>(ii) Electronic</u>	<u>Dispensing devices that require initial and ongoing evaluation of electronic components or functions, such as reading encoded data on pull-tabs, accounting for income or prizes, and other functions determined by the director</u>	<u>\$106.17 annually</u>
<u>(c) Disposable bingo cards</u>		
<u>(i) Sets of individual cards or sheets of cards</u>		<u>\$.27</u>
<u>(ii) Collations of cards</u>		<u>\$1.16</u>
<u>(iii) Cards used to play for linked bingo prizes</u>	<u>Fee is per 250 cards</u>	<u>\$.42</u>
	<u>Fee is per 5000 cards</u>	<u>\$8.49</u>
<u>(d) Coin or token-activated amusement games</u>		
<u>Operated at any Class A amusement game license location</u>		<u>\$26.53 annually</u>
<u>(e) Electronic bingo card daubers</u>		<u>\$10.60 annually</u>
<u>(f) Electronic card facsimile table</u>		<u>\$361.51 annually</u>
<u>(g) Other equipment or devices</u>	<u>The actual cost of inspection or approval, as determined by the director</u>	

ID stamps valid for one year - exception.

(6) Devices that require identification and inspection services stamps to be installed annually shall have such stamps attached prior to placing any device into play and, on or before December 31 of the year preceding operation for each subsequent year.

Affixing stamps - shipping and packaging.

(7) Identification stamps shall only be affixed to gambling equipment or devices in such a manner as to assure reasonable inspection without obstruction. If equipment is enclosed or packaged within protective materials, the stamps shall be readily visible for inspection without removal of any portion of the protective packaging: Provided, That when more than one device is packed in a shipping carton, this requirement shall not apply if the identification and inspection services stamp numbers of all devices contained in the carton are printed or otherwise noted on the outside of the carton.

Location of ID stamps on equipment/devices.

(8) Stamps and records entry labels shall be affixed in the following manner:

(a) **Punch boards** - on the reverse side in an area that will not obstruct removal of punches: Provided, That if sufficient space is not available on the reverse side, the records entry labels may be wrapped around and/or partially attached to the edge of a punch board in a manner that will not obstruct display of prizes available or other information required by rules of the commission;

(b) **Pull-tabs** - on the face or reverse side of the flare. If placed on the face, then they must be in an area that will not obstruct prizes available or any other information required by rules of the commission;

(c) **Pull-tab dispensing devices** - on the outside of the main body, in an area that is not normally removed and replaced, and in a manner that will not obstruct the view of the pull-tabs available for play. The records entry labels shall not be affixed to dispensing devices and may be discarded;

(d) **Disposable bingo cards** - on the packing label attached to the outside of the shipping carton. Records entry labels shall be attached to the packing slip: Provided, That when a set or collation of cards is packed in more than one shipping carton, the stamp shall be attached to carton number one and the stamp number imprinted on all remaining shipping cartons; and

(e) **Electronic facsimile card table** - on the outside of the main body, in an area that is not normally removed and replaced, and in a manner that will not obstruct the view of the card facsimiles. The records entry labels shall not be affixed to table and may be discarded.

ID stamps shall only be affixed to approved devices.

(9) Identification and inspection services stamps shall not be attached to gambling equipment or devices that do not comply with rules of the commission. If a piece of equipment or a device requires specific commission approval, stamps shall not be affixed prior to such approval.

Licensed owners may purchase ID stamps.

(10) A licensed owner of gambling devices which require annual identifications and inspection services stamps may purchase such from the commission. The licensee shall submit the appropriate fee, along with a form provided by the commission, to obtain the stamps.

Replacing worn ID stamps on pull-tab dispensing devices.

(11) A licensed owner of pull-tab dispensing devices may obtain a commission identification and inspection services stamp to replace an identification stamp affixed to a pull-tab dispensing device that has become unidentifiable due to wear. The fee for replacement of the stamp shall be as required by WAC 230-04-202 and/or 230-04-203. The operator or distributor shall furnish the following information to the commission:

(a) A copy of the invoice from the operator, distributor or manufacturer for the purchase of the dispensing device in question; or

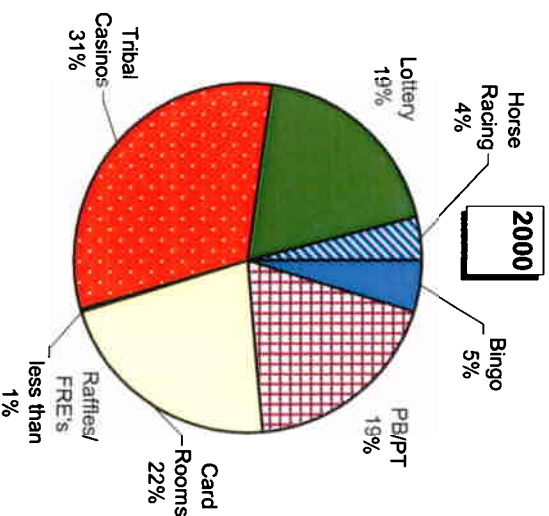
(b) A complete description of the pull-tab dispensing device, serial number, manufacturer, and the commission stamp number previously affixed to the device, if known.

Recordkeeping and replacing damaged stamps.

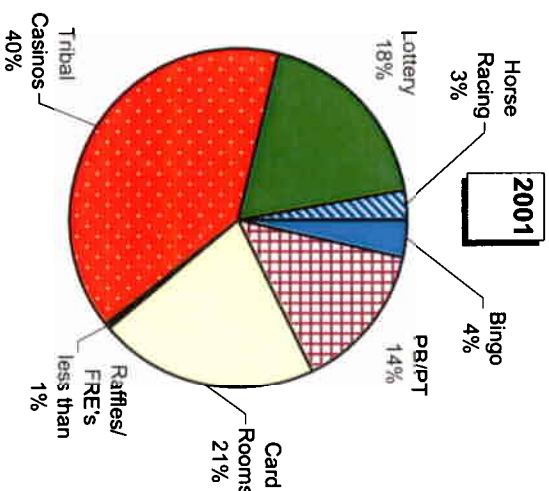
(12) Manufacturers shall maintain records that will allow accountability for all identification and inspection services stamps issued to them by the commission for at least three years after they are affixed to devices and sold. This accountability shall be by indefinite retention of unused or damaged stamps or by records as set out in WAC 230-08-025: Provided, That damaged stamps may be returned to the commission and will be replaced with serviceable stamps if they are accompanied by a detailed listing of the damaged stamps and a ten cent per stamp service charge.

Fiscal Year NET RECEIPTS COMPARISON

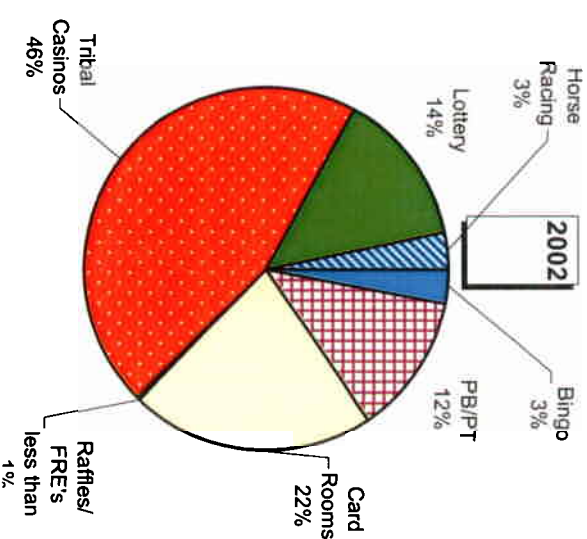
(Net = amount wagered minus amount paid out as prizes)



Bingo	41.2
PB/PT	162.5
Card Rooms	186.9
Raffles/FRE's	3.9
Tribal Casinos*	272.6
Lottery	163.2
Horse Racing	33.1
Total	\$863.4 M



Bingo	37.8
PB/PT	151.3
Card Rooms	227.4
Raffles/FRE's	3.9
Tribal Casinos*	422.0
Lottery	195.4
Horse Racing	29.8
Total	\$1,068 B



Bingo	34.0
PB/PT	141.4
Card Rooms	245.3
Raffles/FRE's	3.7
Tribal Casinos*	514.5
Lottery	156.4
Horse Racing	36.8
Total	\$1,132 B

(Dollar amounts = millions M, except where noted for *totals* in billions B)

* Estimated

^ Preliminary numbers ; subject to change

Regulatory and Operational Questions
Please call your Regional Field Office

Everett	(425) 339-1728	Tacoma	(253) 471-5312	Spokane	(509) 456-3167
Bellingham	(360) 738-6203	Yakima	(509) 575-2820	Wenatchee	(509) 662-0435

Headquarters - Lacey
(800) 345-2529 or (360) 486-3440

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Washington State Council on Problem Gambling
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